

UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

FEDERAL NATIONAL MORTGAGE
ASSOCIATION, a corporation existing under
the laws of the United States,

Plaintiff,

v.

MAPLETREE INVESTORS LIMITED
PARTNERSHIP, a Michigan limited
partnership,

Defendant.

Case No. 2:10-cv-10381
Hon. Stephen J. Murphy, III
Magistrate Judge R. Steven Whalen

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RECEIVER'S REPORT FOR SEPTEMBER 2010

October 26, 2010

CERTIFICATE OF SERVICE

I certify that I electronically filed the foregoing document using the ECF System and that such papers were served by ECF upon all attorneys of record.

By: /s/ Dennis J. Levasseur

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October 26, 2010

Paragon Properties Operating Statement

MTA 9-10
Books = 'Accrual

Account	Actual Sep 2010	Budget Sep 2010	Variance	% Var	Actual Sep 2009	% Var	Actual YTD	Budget YTD	Variance	% Var	Actual FY YTD	% Var	Annual Budget
Revenue													
Gross Potential Rent	\$ 190,329	\$ 188,945	\$ 1,384	1%	-	n/a	\$ 947,463	\$ 944,725	\$ 2,738	0%	-	n/a	\$ 1,511,560
Income Adjustments	(115,610)	(103,983)	(11,627)	11%	-	n/a	(628,230)	(608,242)	(19,988)	3%	-	n/a	(859,175)
Net Rental Income	74,719	84,962	(10,243)	-12%	-	n/a	319,233	336,483	(17,250)	-5%	-	n/a	642,385
Other Revenue	3,341	2,712	629	23%	-	n/a	10,856	11,596	(740)	-6%	-	n/a	21,233
Total Revenue	\$ 78,060	\$ 87,674	\$ (9,614)	-11%	-	n/a	\$ 330,089	\$ 348,079	\$ (17,990)	-5%	-	n/a	\$ 663,618
Expenses													
Variable Expenses													
Management Fees	5,000	5,000	-	0%	-	n/a	20,000	20,000	-	0%	-	n/a	35,000
Payroll	14,155	17,156	3,001	17%	-	n/a	64,437	80,047	15,590	19%	-	n/a	135,830
Maintenance/Service	234	4,784	4,550	95%	-	n/a	8,899	21,083	12,184	58%	-	n/a	27,936
Apartment Turnover	7,100	9,595	2,495	26%	-	n/a	39,424	48,122	8,698	18%	-	n/a	69,210
Parts and Supplies	1,929	2,910	981	34%	-	n/a	12,817	11,613	(1,204)	-10%	-	n/a	20,574
Grounds	766	4,384	3,618	83%	-	n/a	19,091	25,657	6,566	26%	-	n/a	37,765
Marketing	1,568	2,579	1,011	39%	-	n/a	7,163	12,147	4,984	41%	-	n/a	18,611
Administrative	5,349	1,607	(3,742)	-100%+	-	n/a	13,453	11,187	(2,266)	-20%	-	n/a	15,683
Total Variable Expenses	36,101	48,014	11,913	25%	-	n/a	185,304	229,885	44,581	19%	-	n/a	360,629
Fixed Expenses													
Utilities	69,981	13,790	(56,191)	-100%+	-	n/a	212,472	170,861	(41,611)	-24%	-	n/a	209,438
Property Taxes	-	-	-	n/a	-	n/a	166,929	172,264	5,335	3%	-	n/a	229,175
Insurance	8,528	8,527	(1)	0%	-	n/a	59,259	43,008	(16,251)	-38%	-	n/a	66,589
Total Fixed Expenses	78,509	22,317	(56,192)	-100%+	-	n/a	439,660	386,132	(52,528)	-14%	-	n/a	507,202
Total Expense	\$ 114,610	\$ 70,332	\$ (44,278)	-63%	-	####	\$ 623,964	\$ 616,017	\$ (7,947)	-1%	-	n/a	\$ 867,831
Net Operating Income	\$ (36,550)	\$ 17,342	\$ (53,892)	-100%+	-	n/a	\$ (293,875)	\$ (267,938)	\$ (25,937)	10%	-	n/a	\$ (204,213)
Debt Service Interest	-	-	-	n/a	-	n/a	-	-	-	n/a	-	n/a	-
Non-Recurring CapEx	-	17,440	17,440	100%	-	n/a	33,552	86,287	52,735	61%	-	n/a	107,167
OPERATING CASH FLOW	\$ (36,550)	\$ (98)	\$ (36,452)	-100%+	-	n/a	\$ (327,427)	\$ (354,225)	\$ 26,798	-8%	-	n/a	\$ (311,380)
Accounts Receivable Balance	10,841												
Prepaid Rent Balance	(18,923)												
Physical Occupancy	44.1%	55.0%			#DIV/0!		38.3%	43.0%			#DIV/0!		51.3%
Economic Occupancy	39.3%	45.0%			#DIV/0!		33.7%	35.6%			#DIV/0!		42.5%
Total Units	232												
Occupied Units (revenue based)	103												
Concession Cost Per Occupied Unit	\$82.80												

Paragon Properties Operating Statement

MTA 8-10

Books = "Accrual"

Account	Actual Sep 2010	Budget Sep 2010	Variance	% Var	Actual Sep 2009	% Var	Actual YTD	Budget YTD	Variance	% Var	Actual PY YTD	% Var	Annual Budget
Escrows													
Total Escrows	-	-	-	n/a	-	n/a	-	-	-	n/a	-	-	n/a
Non-Operational (Income)/Expense:													
	-	-	-	n/a	-	n/a	19,191	-	(19,191)	n/a	-	-	n/a
Debt Service Principal													
	-	-	0	n/a	-	n/a	-	-	0	n/a	-	-	n/a
Less: Owner's Contrib/(Distrib)	-	-	-	n/a	-	n/a	2,850	-	2,850	n/a	-	-	-
Less: Other Changes in Bal Sheet	(160)	-	(160)	n/a	-	n/a	13,620	-	13,620	n/a	-	-	-
Net Cash Flow	\$ (36,710)	\$ (98)	\$ (36,612)	100%+	\$ -	n/a	\$ (330,148)	\$ (354,225)	\$ 24,077	-7%	\$ -	\$ -	\$ (311,380)

Available Cash Sources

Cash-Operating	86,380
Money Market	-
Money Market Invested	-
Certificates of Deposit	400
Petty Cash	-
Other	-
Total	86,780

Escrows-Reserved Cash Sources-Balances

Security Deposit Money Market	55,276
Tax & Insurance Escrows	-
CapEx Reserve	-
Total	55,276

Liabilities-Balances

Accounts Payable	-
Security Deposits	54,642
Total	54,642

Paragon Properties Operating Statement
MTA 9-10
Books = Accrual

Account	Actual Sep 2010	Budget Sep 2010	\$ Variance	% Var	Actual Sep 2009	\$ Variance	% Var	Actual YTD	Budget YTD	\$ Variance	% Var	Actual PY YTD	% Var	Annual Budget
Revenue														
Gross Potential Rent														
Market Rent	\$ 189,050	\$ 189,050	\$ -	0%	-	\$ -	n/a	\$ 945,250	\$ 945,250	\$ -	0%	\$ -	n/a	\$ 1,512,400
Rent Adjustment	-	-	-	n/a	-	-	n/a	(149)	-	(149)	n/a	-	n/a	-
Loss/Gain to Lease	1,279	(105)	1,384	-100%+	-	1,384	-100%+	2,362	(525)	2,887	-100%+	-	n/a	(840)
Total Gross Potential Rent	190,329	188,945	1,384	1%	-	1,384	1%	947,463	944,725	2,738	0%	-	n/a	1,511,560
Income Adjustments														
Less: Vacancy Loss	(106,306)	(85,025)	(21,281)	-25%	-	(21,281)	-25%	(584,602)	(538,220)	(46,383)	-9%	-	n/a	(736,612)
Less: Concession Expense	(7,756)	(14,171)	6,413	45%	-	6,413	45%	(38,164)	(50,876)	12,712	25%	-	n/a	(99,057)
Less: Renewal Concessions	(775)	-	(775)	0%	-	-	0%	(2,385)	-	2,385	n/a	-	n/a	-
Less: Model Apartments	(775)	(775)	-	0%	-	-	0%	(2,325)	(3,100)	775	25%	-	n/a	(5,425)
Less: Non-Revenue Units	-	(1,114)	1,114	100%	-	1,114	100%	(4,458)	(4,458)	-	100%	-	n/a	(7,801)
Less: Bad Debt	-	(3,779)	3,779	100%	-	3,779	100%	(754)	(15,116)	14,362	95%	-	n/a	(26,452)
Collections	-	882	(882)	-100%	-	(882)	-100%	-	3,527	(3,527)	-100%	-	n/a	6,172
Total Income Adjustments	(115,609)	(103,983)	(11,626)	-11%	-	(11,626)	-11%	(628,230)	(608,242)	(19,988)	-3%	-	n/a	(869,175)
Economic Vacancy %	60.7%	55.0%						66.3%	64.4%			64.0%		57.5%
Net Rental Income	74,720	84,962	(10,242)	-12%	-	(10,242)	-12%	319,233	336,483	(17,250)	-5%	-	n/a	642,385
Other Revenue														
Month to Month Fees	550	-	550	n/a	-	550	n/a	2,423	550	1,873	100%+	-	n/a	550
Water Fees	615	555	59	11%	-	59	11%	1,097	1,029	68	7%	-	n/a	4,343
Late Fees	1,425	479	947	100%+	-	947	100%+	4,950	2,125	2,825	100%+	-	n/a	3,821
Pet Fees	153	128	25	20%	-	25	20%	289	420	(131)	-31%	-	n/a	872
Laundry - Commissions	-	95	(95)	-100%	-	(95)	-100%	-	475	(475)	-100%	-	n/a	760
Application Fees / Reservation Del	200	100	100	100%	-	100	100%	360	400	(40)	-10%	-	n/a	600
Application Fees - Charges	240	798	(558)	-70%	-	(558)	-70%	1,120	4,028	(2,908)	-72%	-	n/a	5,768
Clubhouse Rent	-	200	(200)	-100%	-	(200)	-100%	-	400	(400)	-100%	-	n/a	1,400
Rebate Income	115	-	115	n/a	-	115	n/a	115	100	15	15%	-	n/a	200
NSF Fees	35	35	-	0%	-	-	0%	80	115	(35)	-30%	-	n/a	220
Miscellaneous Income	8	48	(40)	-83%	-	(40)	-83%	8	192	(184)	-96%	-	n/a	336
Key & Access Cards - Replacemer	-	-	-	n/a	-	-	n/a	25	-	25	n/a	-	n/a	-
Damages	-	275	(275)	-100%	-	(275)	-100%	-	1,375	(1,375)	-100%	-	n/a	1,975
Security Deposits Retained	-	-	-	n/a	-	-	n/a	388	388	-	0%	-	n/a	388
Total Other Revenue	3,340	2,712	629	23%	-	629	23%	10,855	11,596	(741)	-6%	-	n/a	21,233
TOTAL REVENUE	\$ 78,060	\$ 87,674	\$ (9,614)	-11%	\$ -	\$ (9,614)	-11%	\$ 330,088	\$ 348,079	\$ (17,991)	-5%	\$ -	n/a	\$ 663,618

Paragon Properties Operating Statement
MTA 9-10
Books = *Accrual

Account	Actual Sep 2010	Budget Sep 2010	\$ Variance	% Var	Actual Sep 2009	% Var	Actual YTD	Budget YTD	\$ Variance	% Var	Actual PY YTD	% Var	Annual Budget
Expenses													
Management Fees	5,000	5,000	-	0%	-	n/a	20,000	20,000	-	0%	-	n/a	35,000
Payroll Expenses													
Administrative Salaries	2,880	2,560	(320)	-13%	-	n/a	13,256	12,720	(536)	-4%	-	n/a	21,680
Leasing Salaries	2,864	3,168	304	10%	-	n/a	12,975	14,485	1,510	10%	-	n/a	25,573
Maintenance Salaries	6,690	8,712	2,021	23%	-	n/a	29,294	41,059	11,765	29%	-	n/a	68,533
Bonuses/Incentives	-	75	75	100%	-	n/a	400	400	-	0%	-	n/a	400
Payroll Taxes	1,548	1,234	(314)	-25%	-	n/a	7,730	5,755	(1,976)	-34%	-	n/a	9,794
Health Insurance	173	1,043	871	83%	-	n/a	706	4,174	3,468	83%	-	n/a	7,304
Workers Compensation	-	289	289	100%	-	n/a	-	1,155	1,155	100%	-	n/a	2,021
Payroll Processing Fees	-	75	75	100%	-	n/a	97	300	203	68%	-	n/a	525
Total Payroll Expenses	14,155	17,156	3,001	17%	-	n/a	64,457	80,047	15,590	19%	-	n/a	135,830
Maintenance/Service													
Carport Repairs	-	-	-	n/a	-	n/a	-	1,000	1,000	100%	-	n/a	1,000
Carpet Repairs - Non-Turnover	35	58	23	40%	-	n/a	35	233	198	85%	-	n/a	408
Carpet Cleaning - Non-Turnovers	-	-	-	n/a	-	n/a	35	1,435	1,400	98%	-	n/a	1,435
Ceramic - Floor	-	-	-	n/a	-	n/a	121	-	(121)	n/a	-	n/a	-
Cleaning Non-Turnover	-	-	-	n/a	-	n/a	75	75	-	0%	-	n/a	75
Countertop Repairs - Non Turnove	-	-	-	n/a	-	n/a	375	-	(375)	n/a	-	n/a	-
Drywall Repairs - Contractor	150	125	(25)	-20%	-	n/a	270	500	230	46%	-	n/a	875
Electric - Contractor	-	200	200	100%	-	n/a	-	800	800	100%	-	n/a	1,400
Elevator Maintenance	-	3,750	3,750	100%	-	n/a	5,600	9,900	4,300	43%	-	n/a	13,650
HVAC Contractor	-	188	188	100%	-	n/a	-	750	750	100%	-	n/a	1,313
Painting - Contractor - Common Ar	-	-	-	n/a	-	n/a	350	350	-	0%	-	n/a	350
Plumbing - Contractor	-	233	233	100%	-	n/a	-	1,128	583	52%	-	n/a	1,828
Alarms & Monitoring	48	180	132	73%	-	n/a	243	2,345	2,102	90%	-	n/a	2,885
Fire Extinguishers	-	50	50	100%	-	n/a	1,250	2,566	1,316	51%	-	n/a	2,716
Total Maintenance/Service	233	4,784	4,551	95%	-	n/a	8,899	21,083	12,184	58%	-	n/a	27,935

Paragon Properties Operating Statement

MTA 9-10

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Account	Actual Sep 2010	Budget Sep 2010	\$ Variance	% Var	Actual Sep 2009	% Var	Actual YTD	Budget YTD	\$ Variance	% Var	Actual PY YTD	% Var	Annual Budget
Apartment Turnover													
Carpet Repairs - Turnover	-	619	619	100%	-	n/a	240	3,094	2,854	92%	-	n/a	4,444
Carpet Cleaning - Turnover	380	290	(90)	-31%	-	n/a	2,075	1,623	(452)	-28%	-	n/a	2,318
Carpet Replacement - Turnover	1,898	2,673	775	29%	-	n/a	14,211	13,365	(846)	-6%	-	n/a	19,197
Vinyl Floor Replacement	-	1,320	1,320	100%	-	n/a	1,774	6,500	4,826	73%	-	n/a	9,480
Cleaning - Turnover	335	744	409	55%	-	n/a	2,765	3,719	954	28%	-	n/a	5,342
Countertop Repairs	403	443	40	9%	-	n/a	1,178	2,214	1,036	47%	-	n/a	3,180
Drywall Repairs - Turnover	-	900	900	100%	-	n/a	305	4,475	4,170	93%	-	n/a	6,530
Painting - Turnover	3,570	2,125	(1,444)	-88%	-	n/a	16,061	10,626	(5,435)	-51%	-	n/a	15,263
Tub & Sink - Resurfacing	515	481	(33)	-7%	-	n/a	815	2,406	1,592	66%	-	n/a	3,456
Total Apartment Turnover	7,100	9,595	2,495	26%	-	n/a	39,423	48,122	8,698	18%	-	n/a	69,210
Parts and Supplies													
Appliance Repairs & Parts	220	125	(95)	-76%	-	n/a	1,376	500	(876)	-100%+	-	n/a	875
Appliances - Stoves	-	211	211	100%	-	n/a	604	845	240	28%	-	n/a	1,478
Appliances - Refrigerators	-	389	389	100%	-	n/a	933	1,557	624	40%	-	n/a	2,724
Appliances - Dishwashers	-	92	92	100%	-	n/a	214	367	153	42%	-	n/a	642
Blinds	126	285	159	56%	-	n/a	998	1,140	142	12%	-	n/a	1,995
Doors	-	58	58	100%	-	n/a	-	230	230	100%	-	n/a	403
Cleaning Supplies	27	150	123	82%	-	n/a	869	600	(269)	-45%	-	n/a	1,050
Electrical Supplies	-	250	250	100%	-	n/a	517	1,000	483	48%	-	n/a	1,750
Ceramic Supplies	-	50	50	100%	-	n/a	-	200	200	100%	-	n/a	350
HVAC Supplies	8	225	217	96%	-	n/a	862	900	38	4%	-	n/a	1,807
Hardware	64	150	86	58%	-	n/a	1,292	600	(692)	-100%+	-	n/a	1,050
Lighting & Light Fixtures	-	150	150	100%	-	n/a	-	600	600	100%	-	n/a	1,050
Locks & Keys	11	75	64	85%	-	n/a	918	300	(618)	-100%+	-	n/a	525
Painting Supplies	-	150	150	100%	-	n/a	453	575	122	21%	-	n/a	1,025
Plumbing Supplies	412	200	(212)	-100%+	-	n/a	1,896	800	(896)	-100%+	-	n/a	1,400
Drywall Supplies	-	-	-	n/a	-	n/a	368	-	(368)	n/a	-	n/a	-
Windows & Screens	1,061	250	(811)	-100%+	-	n/a	1,163	1,000	(163)	-16%	-	n/a	1,750
Supplies - Tools & Mach.	-	100	100	100%	-	n/a	555	400	(155)	-39%	-	n/a	700
Total Parts and Supplies	1,929	2,910	981	34%	-	n/a	12,817	11,613	(1,204)	-10%	-	n/a	20,574
Grounds													
Exterminating	-	130	130	100%	-	n/a	549	520	(29)	-6%	-	n/a	910
Fertilization	-	380	380	100%	-	n/a	765	1,140	375	33%	-	n/a	1,140
Irrigation Supplies and Repairs	-	-	-	n/a	-	n/a	-	1,500	1,500	100%	-	n/a	2,000
Landscaping Contractor	-	2,124	2,124	100%	-	n/a	10,822	12,747	2,125	17%	-	n/a	19,120
Landscaping Supplies	-	-	-	n/a	-	n/a	361	400	39	10%	-	n/a	400
Pool and Spa Repairs	-	575	575	100%	-	n/a	1,820	775	(845)	-100%+	-	n/a	775
Pool & Spa Supplies	-	375	375	100%	-	n/a	1,323	1,600	277	17%	-	n/a	1,600
Rubbish Removal - Contractor	766	800	34	4%	-	n/a	3,850	3,850	(200)	-5%	-	n/a	6,050
Snow Removal Contractor	-	-	-	n/a	-	n/a	-	-	-	n/a	-	n/a	850
Snow Removal Supplies	-	-	-	n/a	-	n/a	-	-	-	n/a	-	n/a	1,335
Trees, Shrubs, Flowers & Mulch	-	-	-	n/a	-	n/a	-	3,355	3,355	100%	-	n/a	3,605
Total Grounds	766	4,384	3,618	83%	-	n/a	19,090	25,687	6,596	26%	-	n/a	37,784

Paragon Properties Operating Statement

MTA 9-10
Books = 'Accrual

Account	Actual Sep 2010	Budget Sep 2010	\$ Variance	% Var	Actual Sep 2009	% Var	Actual YTD	Budget YTD	\$ Variance	% Var	Actual PY YTD	% Var	Annual Budget
Marketing													
Advertising - Internet	188	398	210	53%	-	n/a	914	1,354	440	32%	-	n/a	2,248
Advertising - Printed Media	629	676	47	7%	-	n/a	1,973	2,028	55	3%	-	n/a	4,066
Advertising - Production Expense	288	600	312	52%	-	n/a	1,891	3,675	1,984	54%	-	n/a	3,675
Banners, Flags & Balloons	-	251	251	100%	-	n/a	854	1,455	601	41%	-	n/a	2,209
Market Studies & Shops	300	435	135	31%	-	n/a	900	1,335	435	33%	-	n/a	2,370
Model Furnishings	-	-	-	n/a	-	n/a	660	-	(660)	n/a	-	n/a	-
Clubhouse Furnishings	18	-	(18)	n/a	-	n/a	18	500	482	96%	-	n/a	500
Promotions & Giveaways	-	-	-	n/a	-	n/a	-	300	300	100%	-	n/a	900
Prospect Refreshments	43	50	7	14%	-	n/a	51	200	149	75%	-	n/a	350
Resident Functions & Parties	-	-	-	n/a	-	n/a	-	200	200	100%	-	n/a	400
Resident Referrals	-	-	-	n/a	-	n/a	-	400	400	100%	-	n/a	800
Signage	102	91	(11)	-12%	-	n/a	102	364	262	72%	-	n/a	637
Remodeling - Lease Renewals	-	78	78	100%	-	n/a	-	336	336	100%	-	n/a	465
Total Marketing Expenses	1,568	2,579	1,011	39%	-	n/a	7,163	12,147	4,985	41%	-	n/a	18,610
Administrative Expenses													
Admin Expense - Yard	106	-	(106)	n/a	-	n/a	532	-	(532)	n/a	-	n/a	-
Admin Exp-InHs Collection	126	-	(126)	n/a	-	n/a	628	-	(628)	n/a	-	n/a	-
Answering Services	40	36	(4)	-10%	-	n/a	155	145	(10)	-7%	-	n/a	255
Auto	-	-	-	n/a	-	n/a	45	45	(0)	-1%	-	n/a	545
Banking Fees	24	207	(24)	n/a	-	n/a	223	100	(123)	-100%+	-	n/a	200
Credit Verification Fees	-	-	-	100%	-	n/a	482	1,033	551	53%	-	n/a	1,483
Dues & Subscriptions	-	-	-	n/a	-	n/a	27	-	(27)	n/a	-	n/a	-
Education & Training	60	85	25	29%	-	n/a	213	340	127	37%	-	n/a	545
Employee Recognition	117	252	135	54%	-	n/a	117	312	195	63%	-	n/a	604
Fees & Permits	2,691	-	(2,691)	n/a	-	n/a	4,567	4,283	(284)	-7%	-	n/a	4,283
Office Supplies	1,438	325	(1,113)	-100%+	-	n/a	1,650	1,408	(242)	-17%	-	n/a	2,383
Physicals/Background	23	81	58	72%	-	n/a	366	324	(42)	-13%	-	n/a	324
Postage	98	75	(23)	-31%	-	n/a	269	300	31	10%	-	n/a	525
Resident Relations	18	50	32	64%	-	n/a	172	200	28	14%	-	n/a	350
Telephone	49	195	146	75%	-	n/a	645	780	135	17%	-	n/a	1,365
Cable/DSL - Office	-	60	60	100%	-	n/a	247	300	53	18%	-	n/a	480
Uniforms	32	83	51	62%	-	n/a	54	330	276	84%	-	n/a	580
Meals/Ofc Food & Ent.	-	-	-	n/a	-	n/a	37	-	(37)	n/a	-	n/a	-
IT Support	368	58	(310)	-100%+	-	n/a	4,020	1,235	(2,785)	-100%+	-	n/a	1,409
Legal Fees (L/T Cases)	120	-	(120)	n/a	-	n/a	(255)	-	255	n/a	-	n/a	-
Filing & Service Fees - L/T Cases	14	100	86	86%	-	n/a	(766)	(48)	718	-100%+	-	n/a	253
Professional Fees	24	-	(24)	n/a	-	n/a	24	100	76	76%	-	n/a	100
Total Administrative Expenses	5,348	1,607	(3,741)	-100%+	-	n/a	13,452	11,187	(2,265)	-20%	-	n/a	15,683

Paragon Properties Operating Statement

MTA 9-10

Books = *Accrual

Account	Actual Sep 2010	Budget Sep 2010	\$ Variance	% Var	Actual Sep 2009	\$ Variance	% Var	Actual YTD	Budget YTD	\$ Variance	% Var	Actual PY YTD	% Var	Annual Budget
Utilities														
Electric Common Areas	6,256	564	(5,692)	-100%+	-	(5,692)	-100%+	10,222	2,256	(7,966)	-100%+	-	n/a	3,948
Electric Vacants	8,886	1,402	(7,484)	-100%+	-	(7,484)	-100%+	25,172	7,827	(17,345)	-100%+	-	n/a	11,149
Gas Common Areas	-	3,487	3,487	100%	-	3,487	100%	3,396	11,913	8,517	71%	-	n/a	29,056
Gas Vacants	7,017	945	(6,072)	-100%+	-	(6,072)	-100%+	12,221	4,608	(7,613)	-100%+	-	n/a	7,773
Water Expense	46,853	7,393	(39,460)	-100%+	-	(39,460)	-100%+	160,289	144,257	(16,032)	-11%	-	n/a	157,511
Utility Bill Expense	1,169	-	(1,169)	n/a	-	(1,169)	n/a	1,171	-	(1,171)	n/a	-	n/a	-
Total Utility Expenses	69,981	13,790	(56,190)	-100%+	-	(56,190)	-100%+	212,471	170,861	(41,610)	-24%	-	n/a	209,437
Property Taxes	-	-	-	n/a	-	-	n/a	166,928	172,264	5,335	3%	-	n/a	229,174
Insurance														
Property - GL - Umbrella	8,527	8,527	(0)	0%	-	(0)	0%	59,259	43,008	(16,251)	-38%	-	n/a	68,589
Total Insurance	8,527	8,527	(0)	0%	-	(0)	0%	59,259	43,008	(16,251)	-38%	-	n/a	68,589
TOTAL EXPENSES	114,607	70,332	(44,275)	-63%	-	(44,275)	-63%	623,959	616,017	(7,942)	-1%	-	n/a	867,827
NET OPERATING INCOME	\$ (36,547)	\$ 17,342	\$ (53,889)	-100%+	\$ -	\$ (53,889)	-100%+	\$ (293,871)	\$ (267,938)	\$ (25,933)	10%	\$ -	n/a	\$ (204,209)

Paragon Properties Operating Statement

MTA 9-10

Books = 'Accrual

Account	Actual Sep 2010	Budget Sep 2010	\$ Variance	% Var	Actual Sep 2009	% Var	Actual YTD	Budget YTD	\$ Variance	% Var	Actual FY YTD	% Var	Annual Budget
Non-Recurring CapEx													
Asphalt/Parking Lot	-	-	-	n/a	-	n/a	3,875	3,875	-	0%	-	n/a	3,875
Carpet Replacement - Common Ar	-	-	-	n/a	-	n/a	-	2,700	2,700	100%	-	n/a	2,700
Concrete/Sidewalks/Foundation	-	-	-	n/a	-	n/a	9,159	9,159	-	0%	-	n/a	9,159
Exterior Lighting	-	-	-	n/a	-	n/a	6,850	6,850	-	0%	-	n/a	6,850
Gutters/Drainage System	-	3,000	3,000	100%	-	n/a	-	3,000	3,000	100%	-	n/a	3,000
Hallway Painting	-	-	-	n/a	-	n/a	1,000	-	(1,000)	n/a	-	n/a	-
HVAC/Furnace	-	10,440	10,440	100%	-	n/a	5,720	19,720	14,000	71%	-	n/a	40,600
Landscape/Sprinklers	-	-	-	n/a	-	n/a	195	12,103	11,908	98%	-	n/a	12,103
Model Upgrades	-	-	-	n/a	-	n/a	4,694	5,000	306	6%	-	n/a	5,000
Office Furniture/Equipment	-	-	-	n/a	-	n/a	1,296	3,300	2,004	61%	-	n/a	3,300
Roofs	-	4,000	4,000	100%	-	n/a	-	12,000	12,000	100%	-	n/a	12,000
Swimming Pool & Sauna	-	-	-	n/a	-	n/a	487	1,620	1,133	70%	-	n/a	1,620
Unit Rehab	-	-	-	n/a	-	n/a	-	6,960	6,960	100%	-	n/a	6,960
Water Heater/Boilers	-	-	-	n/a	-	n/a	275	-	(275)	n/a	-	n/a	-
Total Non-Recurring CapEx	-	17,440	17,440	100%	-	n/a	33,551	86,287	52,736	61%	-	n/a	107,167
	(36,547)	(98)	(36,449)	37181%	-	n/a	(327,422)	(354,225)	26,803	-8%	-	n/a	(311,376)

OPERATING CASH FLOW

Paragon Properties Operating Statement

MTA 9-10

Books = 'Accrual

Account	Actual Sep 2010	Budget Sep 2010	\$ Variance	% Var	Actual Sep 2009	\$ Variance	% Var	Actual YTD	Budget YTD	\$ Variance	% Var	Actual PY YTD	% Var	Annual Budget
Escrows														
Total Escrows	-	-	-	n/a	-	-	n/a	-	-	-	n/a	-	n/a	-
Non-Operational (Income)/Expenses														
Non-Op - Prior Year	-	-	-	n/a	-	-	n/a	19,191	-	(19,191)	n/a	-	n/a	-
Total Non-Operational Expense	-	-	-	n/a	-	-	n/a	19,191	-	(19,191)	n/a	-	n/a	-
Less: Owner's Contrib/(Distrib)	-	-	0	n/a	-	0	n/a	2,850	-	2,850	n/a	-	-	-
Less: Other Changes in Bal Sheet	(162)	-	(162)	n/a	-	(162)	n/a	13,620	-	13,620	n/a	-	-	-
Net Cash Flow	<u>\$ (36,709)</u>	<u>\$ (96)</u>	<u>\$ (36,611)</u>	<u>100%+-</u>	<u>\$ -</u>	<u>\$ (36,611)</u>	<u>100%+-</u>	<u>\$ (330,143)</u>	<u>\$ (354,225)</u>	<u>\$ 24,082</u>	<u>-7%</u>	<u>\$ -</u>	<u>n/a</u>	<u>\$ (311,376)</u>